

# **Administrative Decisions for Property Settlements     UDOT 08A3-5**

Effective: December 12, 1972

Revised: January 24, 1996

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## **Purpose**

To implement the provisions of the Federal Highway Administration's policy and procedures applying to administrative settlements.

## **Policy**

The Chief, Right-of-Way, and the Acquisition Supervisor may exercise administrative decisions in special instances where discrepancies exist between the State's estimated fair-market value, and the landowner's "asking" price to bring about a successful settlement.

## **Procedures**

### **Administrative Decisions for Property Settlements      UDOT 08A3-5.1**

**Responsibility:**      Acquisition Agent

#### **Actions**

1.      When negotiations have reached stalemate, the Agent reviews the case prior to recommending condemnation action.
2.      Considers the property owner's asking price in relation to the State's offer; also, entertain other factors involved.
3.      If the difference between the property owner's "asking" price and the State's offer does not exceed the approved, appraised value by 10%, and the agent feels the difference is warranted, a revised option contract, invoice and related documents are prepared. The agent has property owner sign option contract, invoice and related documents. Emphasis will be given on the fact that the revised option contract is subject to Departmental approval. A new Offer to Purchase form will not be filled out for the revised amount. The agent submits a parcel package to Acquisition Supervisor for review.

**Responsibility:**      Acquisition Supervisor

4.      If amount of the increase over the approved market value is \$2,500 or less, the Acquisition Supervisor may process the option contract in accordance with Step 6 listed below. If greater, an option contract will be processed in accordance with Steps 6 and 7 listed below.

**Responsibility:**      Acquisition Agent

- 4a.      If the Agent is reluctant to recommend approval of the property owner's counteroffer, the counteroffer and facts are submitted to the Acquisition Supervisor for his review and determination.

**Responsibility:**      Acquisition Supervisor

- 4b.      If the decision is to pursue such settlement, instructs the agent to prepare an option contract and invoice for the amount of the proposed settlement. Presents offer to property owner for approval.

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**Responsibility:** Acquisition Agent

4c. Prepares contract and invoice for the proposed settlement, and presents same to the property owner for approval. Emphasis will be given on the fact that the revised option is subject to Departmental approval. A new Offer to Purchase form will not be made for the revised amount. Submits a parcel package to Acquisition Supervisor for review.

**Responsibility:** Acquisition Supervisor

5. If amount of increase over the approved fair-market value is \$2,500 or less, the Acquisition Supervisor may process the option contract in accordance with Step 6 below. If greater, an option contract will be processed in accordance with Step 6 listed below.

**Responsibility:** Chief, Right-of-Way or Acquisition Supervisor

6. If amount of increase over the approved fair-market value is \$2,500 or more, the Acquisition Supervisor or the Agent will prepare an “Administrative Settlement” memorandum for the Chief’s signature. This memorandum will contain the merits, justification and documentation for the adjustment decision. This written authority will become part of the parcel package, and supersede the approved appraisal amount. The approved contract will at this point enter the work flow as a regular acquisition, and be processed accordingly.